

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT FILING OF	)	CASE NO.
SOUTH 641 WATER DISTRICT	)	2018-00225

ORDER

On June 28, 2018, South 641 Water District (South 641 District) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.<sup>1</sup>

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. South 641 District purchases water from the Murray Water and Sewer System (Murray).
2. Murray notified South 641 District that its wholesale volumetric water rate would increase from \$2.94 per 1,000 gallons to \$3.23 per 1,000 gallons effective July 1, 2018.<sup>2</sup> South 641 District proposes to increase the water rates to its customers effective July 1, 2018, to reflect the increased cost of purchased water from Murray.
3. South 641 District proposed a purchased water adjustment factor of \$0.34 per 1,000 gallons in its application.

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<sup>1</sup> KRS 278.015; 807 KAR 5:068.

<sup>2</sup> TFS 2015-00341 (Ky. PSC filed May 28, 2015); the tariff was accepted for filing by the Commission by letter dated July 1, 2015.

4. During the 12 months ended March 31, 2018, South 641 District purchased 18,496,750 gallons of water from Murray. During the same period, South 641 District sold 15,933,410 gallons of water. The increase in the cost of purchased water is \$5,364.05, resulting in a purchased water adjustment factor of \$0.34 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.34 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable, and should be approved.

6. South 641 District's proposed rates should be approved.

7. The rates as set forth in Appendix B to this Order, are fair, just, and reasonable, and should be approved for water service rendered by South 641 District on and after July 1, 2018.

IT IS THEREFORE ORDERED that:

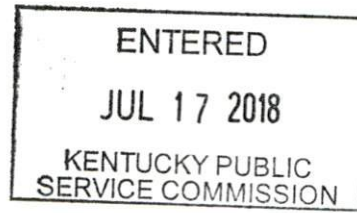
1. The purchased water adjustment factor of \$0.34 per 1,000 gallons is approved.

2. The rates proposed by South 641 District are approved.

3. The rates as set forth in Appendix B to this Order are approved for water service rendered by South 641 District on and after July 1, 2018.

4. Within 20 days of the date of entry of this Order, South 641 District shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

  
Executive Director

Case No. 2018-00225

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00225 DATED **JUL 17 2018**

	New Rate	Base Rate
Murray		
Purchases in Gallons	18,496,750	18,496,750
Wholesale rate	<u>\$ 3.23/1,000</u>	<u>\$ 2.94/1,000</u>
Total	\$ 59,744.50	\$ 54,380.45
Increased water cost		\$ 5,364.05
Increased water cost		\$ 5,364.05
Divided by Gallons sold/1,000		<u>15,933,410</u>
Purchased water adjustment factor		\$ 0.3367 per 1,000 Gallons
		or \$ 0.34 per 1,000 Gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00225 DATED **JUL 17 2018**

The following rates and charges are prescribed for the customers in the area served by South 641 Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 Gallons	\$ 21.42 Minimum Bill
Next	3,000 Gallons	8.48 per 1,000 Gallons
Next	5,000 Gallons	7.57 per 1,000 Gallons
Over	10,000 Gallons	6.68 per 1,000 Gallons
Bulk Rate		\$ 6.68 per 1,000 Gallons

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Chairman of the Board  
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